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The WHEAT SITUATION

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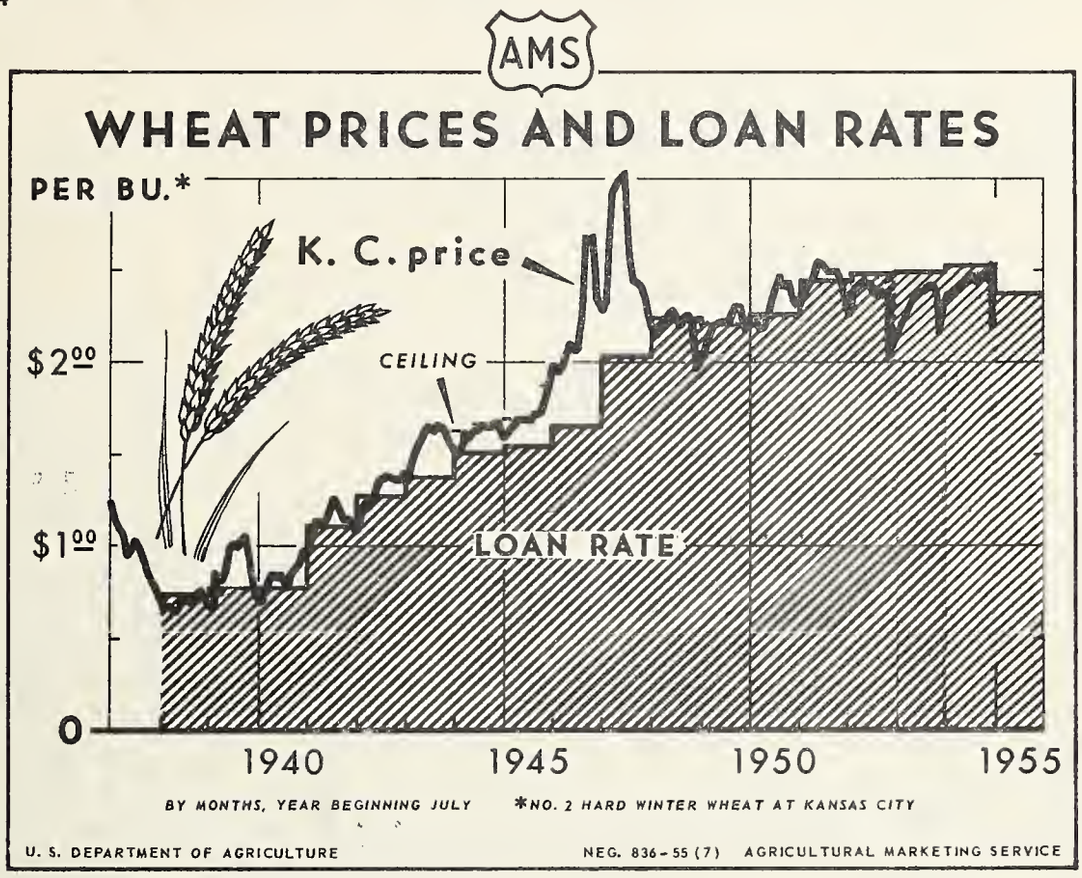

In 15 of the last 16 marketing years, the monthly average cash hard winter wheat price was lowest of the year in June, July, or August. In 10 of the last 16 years, the price averaged highest in March or later. In other years, the high occurred in December-February except in 1952 when the price averaged highest in November. Prices generally exceeded the loan at some time during the season in every year except the past three years. Except for 1946-47 and 1947-48, when demand for wheat was exceptionally strong, prices averaged around the "effective" loan level for the season.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE

AGRICULTURE - WASHINGTON

Table 1 .- Wheat, No. 2 Hard Winter: Price, loan value, and ceiling at Kansas City, 1937-54

(Data for cover page)

Year beginning July	Weighted cash price of No. 2 Hard Winter Wheat at Kansas City 1/												Loan value at Kansas City 2/
	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1937	122.5	111.8	109.5	106.0	94.2	96.5	102.7	99.6	91.5	84.6	79.7	76.7	---
1938	70.0	65.5	65.7	64.7	63.3	66.9	70.9	69.2	68.7	69.6	75.7	70.9	72
1939	66.7	64.6	85.9	82.7	85.8	98.3	101.2	99.4	102.1	105.7	94.7	76.3	77
1940	70.7	69.3	75.8	81.6	84.5	83.0	84.7	77.8	85.1	87.2	90.4	97.3	77
1941	98.3	106.6	114.1	112.2	113.4	120.1	125.6	123.1	121.0	114.6	114.9	110.9	110
1942	107.9	111.2	120.3	120.5	123.1	130.5	136.8	137.0	139.9	138.4	138.1	137.0	127
1943	140.1	139.8	145.8	152.3	156.4	162.8	164.8	163.0	165.2	164.0	163.2	155.6	137
1944	152.1	150.8	153.0	161.3	159.1	162.0	163.6	165.8	166.3	165.7	166.7	168.2	150
1945	158.3	159.8	162.1	168.3	168.9	169.2	169.2	169.1	172.0	172.1	---	186.1	153
1946	197.8	193.8	196.0	203.9	210.4	207.2	209.0	226.1	269.4	267.6	269.3	237.3	164
1947	228.8	231.8	264.6	295.3	299.9	301.1	303.2	250.8	245.4	244.5	240.2	229.4	202
1948	219.3	215.0	220.4	222.6	228.2	228.7	225.0	219.6	224.1	226.0	222.1	195.1	223
1949	200.4	206.0	215.2	218.8	220.2	222.1	222.3	222.4	227.2	230.6	230.0	217.0	220
1950	222.8	220.9	221.0	217.9	222.4	234.6	240.2	247.6	240.1	243.5	238.4	234.3	225
1951	230.7	233.0	238.3	245.2	254.0	254.1	251.9	249.2	249.6	249.2	244.6	230.6	244
1952	225.1	232.3	240.9	241.6	245.8	244.5	240.2	235.8	239.5	238.7	235.5	203.6	248
1953	208.6	217.5	221.7	228.8	233.7	237.5	237.9	239.3	241.7	244.7	237.0	215.3	249
1954	232.4	235.2	238.9	241.1	243.9	246.5	244.3	245.5	245.6	246.1	253.1	219.0	253
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1/ Computed by weighting selling price by number of carlots sold, as reported in the Kansas City Grain Market Review. In this price, wheat of above as well as below 13 percent protein is included.

2/ Loan rate is for wheat of less than 13 percent. Ceiling became effective January 4, 1944 at $1.62 including 1½ cents commission, basis protein of less than 13 percent. On December 13, 1944 it was raised to $1.66, on May 30, 1945 to $1.691, on March 4, 1946 to $1.721 and on May 13, 1946 to $1.871. On June 30, 1946, ceilings expired.

THE WHEAT SITUATION

Approved by the Outlook and Situation Board, July 13, 1955

SUMMARY

The total wheat supply for the marketing year beginning July 1, 1955 is estimated to be only a little less than the 1,875 million-bushel record reached a year ago. The 1955 crop was forecast as of July 1 at 860 million bushels, 110 million less than last years output, but this decline is largely offset by an increase in carryover stocks.

If domestic disappearance and exports in 1955-56 total about the same as estimated for 1954-55, the carryover July 1, 1956 would total slightly below July 1, 1955. This would be the first reduction in carryover since 1952.

On the basis of April 1 stocks and estimated domestic disappearance and exports in April-June, the July 1, 1955 carryover of old stocks of wheat probably was slightly in excess of 1 billion bushels compared with 902 million bushels a year earlier. The official estimate of old-crop wheat in all positions on July 1 will be released July 22. It is expected that almost all of the carryover was in CCC owned or loan stocks.

An analysis of supply and distribution by classes indicates that stocks of hard red winter wheat are up sharply from a year ago. White wheat stocks also are up, but those of hard red spring and soft red winter are down. Stocks of durum are almost negligible.

On July 5, the Department announced that the national average loan rate to farmers for 1955-crop wheat will be $2.08, two cents above the minimum rate announced last September. The increase results from the rise in the parity price. The national average support price for 1954-crop wheat was $2.24.

Cash prices of hard wheats at Kansas City have been adjusting downward since late May, influenced by the lower loan levels for the new crop and market movement. However, wheat prices as late as early July have been above a year ago and much stronger than they usually are at this time of the year. Current prices have been maintained by an urgent need of receipts of new-crop wheat to replenish nearly exhausted stocks of old free wheat supplies, a delay in crop movement because of unfavorable harvesting weather, and by good milling and baking qualities of the early marketings. Prices at Minneapolis showed some weakness most of June, and on July 13 were moderately lower than in late May. Prices of soft red wheat at St. Louis reached their high point for the 1954-55 season in late December and again in late January. Prices of soft white at Portland even in late June were the highest for the year.

With the 1955 crop less than likely disappearance (last year production was about 100 million bushels more than disappearance), it is probable that early season prices will not fall as far below the loan rate as in many years, and for the marketing year as a whole may average slightly higher relative to the loan than in 1954-55. The price received by farmers this year may average about $2.00, compared with the national average loan of $2.08, whereas in 1954-55 it averaged about $2.14 when the loan was $2.24. The quantities that will be placed under the support programs may be larger than the quantities sold out of CCC stocks. This would tend to reduce the free supply.

Marketing quotas will be in effect for the 1956 crop as a result of the referendum held on June 25. The national average support price for the 1956 crop has been announced at not less than $1.81 per bushel, which reflects 76 percent of the estimated parity level. The full support levels will be available in 36 commercial wheat States for producers who comply with their individual farm acreage allotments. Support rates in the 12 noncommercial wheat States are set by law at levels representing 75 percent of the rates calculated on the national average. The minimum support announced will not be lowered, but it will be raised if a combination of changes in the parity value and the supply situation calls for an increase on July 1, 1956.

The 1955 wheat crop in the Northern Hemisphere, according to present prospects, may be slightly larger than in 1954. Conditions are variable, with sizable increases in some areas partly offset by smaller harvests in others. Carryover stocks in the principal exporting countries continue large and the world supply of wheat for the 1955-56 season may be at a new record level.

THE DOMESTIC WHEAT SITUATION

U. S. Supplies in 1955 Estimated Down Slightly

The total wheat supply for the marketing year beginning July 1, 1955 is now estimated at 1,865 million bushels, only slightly below the 1,877 million bushels reached in 1954-55. The reduction in production about offsets the increase in the carryover. The supply this year consists of an indicated July 1, 1955 carryover of about 1,000 million bushels or slightly more, a crop (July 1 basis) of 860 million bushels, and an allowance for imports of 1 million bushels of milling wheat 1/ and 4 million bushels of feeding quality wheat.

1/ Milling wheat, which has an import duty of 21 cents per bushel, is under import quota, whereas imports "unfit for human consumption", which has an import duty of 5 percent ad valorem, has no quota restrictions.

Domestic disappearance for the 1955-56 year is estimated at about 610 million bushels, about the same as in 1954-55. Civilian and military food use (including use by Territories of the United States) is expected to be about 488 million bushels, 1 million bushels above the estimated quantity for 1954-55. Feed use may be about 60 million bushels or about the same as a year earlier.

A domestic disappearance of 610 million bushels would leave about 1,255 million bushels for export during the marketing year and carryover at the end of the year. The level of United States exports in 1954-55 will again depend upon many factors, including the size and distribution of the 1955 crop produced in countries other than the United States, as well as United States foreign aid programs. If exports total about the same as the 270 million bushels estimated for 1954-55, the carryover July 1, 1956, on this basis, would total about 985 million bushels, slightly below the carryover July 1, 1955. This would be the first decline since July 1, 1952 when the carryover was 256 million bushels. This was built up to about a billion bushels by July 1, 1955.

Wheat Production 11 Percent Below 1954; Acreage for Harvest Down About 12 Percent

The prospective 1955 wheat crop, based on conditions of July 1, is estimated at 860 million bushels. This would be 11 percent smaller than the 1954 crop of 970 million and about 25 percent smaller than the 1944-53 average of 1,154 million. For all wheat, the indicated yield per harvested acre is 18.2 bushels compared with 18.1 last year and the 10-year average of 17.1 bushels per acre. The indicated 47.4 million acres is 12 percent less than the acreage harvested in 1954, 30 percent less than average, and the smallest since 1934. The 57.5 million acres seeded is about 7 percent less than the 62 million acres seeded for the crop a year earlier and nearly a fourth less than the 10-year average. Current indications point to an all wheat abandonment and diversion of 10 million acres--17.6 percent of the total acreage planted. This compares with 13.3 percent, or 8.3 million acres not harvested for grain last year and the average of 10.2 percent or 7.7 million acres.

The winter wheat crop is estimated at 663 million bushels. This would be about 16 percent less than the 791 million bushels produced last year and compares with the average of 867 million. The July estimate is 24 million bushels above that indicated a month earlier.

In the southern Great Plains wheat area, substantial moisture received during late May and June delayed harvest. Generally, the rains were too late to provide much improvement in yields. Kansas showed considerable improvement during June, except in the south central district, where rains were too late to be of material help. Grain harvested to July 1 showed about average protein content but testweights were running about 2 pounds above average. The crop in Nebraska made remarkable improvement during June as adequate precipitation accompanied by cool temperatures was favorable to grain development. In eastern Colorado the crop also responded favorably to June rains and cool temperatures with practically all acreage remaining for harvest showing improvement.

Yield prospects in Oregon and Washington declined during June because of the effects of hot, dry weather. Prospects in Idaho generally showed improvement during the month, though hot, dry weather in North Idaho caused some deterioration of the crop. With the exception of Kentucky, outturn in the southern States from Arkansas eastward was above earlier expectations. The East North central and Northeast regions showed little change from a month earlier.

The winter wheat yield per harvested acre is estimated at 19.6 bushels per acre which compares with last year's near-record 20.5 bushels and the average of 18.0 bushels. The acreage seeded is estimated at 43.6 million acres, a decrease of 5.4 percent from the previous year and 21 percent below the 1944-53 average. The acreage allotment program and adverse seeding conditions last fall influenced the reduction in acreage seeded. The 33.9 million acres of winter wheat estimated for harvest this year represents a decline of more than 12 percent from a year earlier and is nearly a third smaller than average. This will be the smallest winter wheat acreage harvested since 1935. Abandonment and diversion are now indicated at 22 percent, 6 percentage points above last year and sharply above the average of 13 percent. For the 1955 crop, regulations permitted farmers to overplant their acreage allotments provided the excess acreage was used for other purposes than as harvested grain.

Production of spring wheat other than durum was forecast at 184 million bushels. This compares with 173 million bushels produced last year and the average of 253 million bushels. The crop showed good development during June, following general rains throughout the Dakotas and Minnesota beginning in late May. Black stem rust again poses a serious threat to bread wheats in the Dakotas. Many fields now show traces of infection. Hot weather and lack of moisture have reduced yield prospects in eastern sections of Washington and Oregon. Elsewhere the crop is generally in good condition. The estimated 12.7 million acres planted to other spring wheat this year is 10 percent less than the 14.2 million acres planted in 1954, and is nearly 30 percent below the 1944-53 average of 17.8 million acres. Mild winter weather in Washington caused below average abandonment of winter wheat acreage and a corresponding sharp decrease from last year in acreage reseeded to spring wheat. The 1955 harvested acreage is estimated at 12.4 million acres, 10 percent less than the 13.7 million harvested last year and 28 percent below the average of 17.2 million acres. Abandonment and diversion are indicated at 2.6 percent, compared with 3.4 percent last year and the average of 3.8 percent.

The durum wheat crop of 13.27 million bushels is forecast for the 3 States of North Dakota, South Dakota, and Minnesota. This would be nearly 2½ times as large as last year's small crop of 5.56 million bushels but only 40 percent of average. Black stem rust has been reported in varying degrees throughout the durum wheat areas, and could reach serious proportions if weather conditions during July favor rust development. The acreage seeded to durum wheat, estimated at 1.14 million acres, is the lowest of record. This is about two-thirds of the acreage seeded last year and is less than half of average. Growers in the 3 States expect to harvest 1.07 million acres, which would be a 19 percent reduction from the 1.33 million acres harvested last year, and the smallest of record except for the drought year of 1934. Abandonment is indicated at 6 percent, compared with 20 percent in 1954 and the average of 3.6 percent.

Carryover July 1, 1955 May Total 1,000 Million Bushels, or Slightly Higher

On the basis of April 1 stocks and estimated domestic disappearance and exports in April-June, the July 1, 1955 carryover is expected to be 1,000 million bushels or slightly higher. The official estimate stocks of old-crop wheat in all positions on July 1 will be released July 22. Almost all of the carryover is expected to be in CCC owned or loan stocks.

The total supply of wheat on April 1 was 1,212 million bushels (table 10). Total disappearance in the April-June quarter probably totaled about 210 million bushels as compared with 226 million in the same quarter last year, and an average of 274 million bushels for 1949-53. Exports for the quarter this year may have totaled about 62 million bushels, compared with 65 million in 1954.

Exports in 1954-55 Estimated at 270 Million Bushels; Government Aid Important

Exports of wheat and flour and other products in terms of wheat, July 1954 through April 1955 totaled 227 million bushels. On the basis of inspections of grain for export and estimated exports of flour and principal products for May and June, exports for the year ending June 30 are estimated at 270 million bushels.

Wheat exported from the United States in recent years has been financed to a large extent by aid from the United States Treasury. It is difficult to assess the extent of such aid, however, because the so-called "free" dollars used to finance commercial exports often come indirectly from U.S. Government, or are made possible because of the U.S. aid for other purposes. A large percentage of our shipments in earlier postwar years, particularly in 1947-48 through 1950-51 were made under aid programs, including UNRRA, ECA-MSA, and military shipments. This type of export accounted for 75 percent or more of the total U.S. exports in 1948-49 and 1949-50, but tapered off to less than one-third in 1951-52.

Because wheat prices are supported in the United States, it has been necessary to subsidize exports to take care of the difference between our domestic price level and the level at which wheat is sold in world competition. The subsidy rates varies by area of shipment and by destination. On July 12 Gulf Coast to all destinations, except Latin America, has a subsidy of 60 cents per bushel for hard wheat; Gulf to Latin America was 57 cents. East Coast to all destinations was 47 cents and West Coast to all destinations was 72 cents.

Subsidies are paid under (1) the International Wheat Agreement Program; (2) GR-261 (wheat) and GR-262 (flour), under which CCC wheat is sold to commercial exporters for export as grain or to millers to export as flour outside the IWA at prices comparable to IWA subsidized prices, (3) GR-301 for movement under P.L. 480 (Agricultural Trade Development and Assistance Act of 1954), under which CCC sales are made to commercial exporters for foreign currencies at current subsidized prices.

Table 2.- CCC sales, July 1, 1954 to June 30, 1955

	Million bushels	
Sales for export under various programs		
GR-261 (wheat)	49.2	
GR-262 (flour)	18.4	
GR-301 1/	24.2	
Other programs 2/	152.4	
Total sales for export		244.2
Sales in the domestic market		
Regular sales 3/	14.2	
Wheat no longer suitable for storage 4/	10.5	
Total domestic sales		24.7
Total CCC sales		5/268.9

1/ Began January 1955.
2/ Includes mostly CCC sales under IWA, but also sales of light weight wheat for export.
3/ At statuatory current support prices, plus 5 percent, plus carrying charges.
4/ At current market prices.
5/ Difference between the total and the total exports from the United States of about 270 million bushels represents exports from supply of "free" wheat.

Stocks of Hard Red Winter Wheat Up Sharply; White Wheat also Up; Other Classes Down

Analysis of supply and distribution by classes must be tentative until information on exports and the July 22 report of stocks are available. Table 7 shows such tentative estimates assuming disappearance in continental United States of 603 million bushels, exports of 270 million, and shipments to Territories of 4 million. Table 3 shows the estimated carryover by classes compared with a year ago. While the supply of soft red winter is still relatively large, it is less than a year ago. Stocks of hard red spring and durum, (the latter of which is less than 500 thousand bushels), are also below a year ago. However, white wheat stocks have increased and those of hard red winter have risen sharply. Exports of hard red spring wheat have been above earlier estimates, while the exports of hard red winter and white wheat have fallen short of expectations.

Table 3.- Wheat: Estimated carryover by classes, July 1, 1954 and 1955

Class	1954	1955	Change
	Million bushels	Million bushels	Million bushels
Hard red winter	545	682	+137
Soft red winter	62	47	-15
Hard red spring	196	147	-49
Durum	5	---	-5
White	94	124	+30
Total	902	1,000	+98

The figures in table 7 are not based on survey or enumeration data, and are therefore only approximations. Estimated stocks on farms and in interior mills, elevators, and warehouses by kinds are assumed to be present in about the same proportion as produced; the classes within kinds are established on the basis of the quinquennial wheat-variety surveys. Commercial stocks are reported by classes, and merchant mill stocks are broken down largely on the basis of the distribution by classes of commercial stocks, after making allowance for quantities going for export. Exports and shipments by classes are estimated on the basis of "inspection for export" for wheat as grain and on the basis of the area from which exports of flour originate; also for earlier years on the basis of records of the former War Food Administration and the Department of Agriculture, and export indemnifying agencies. Figures for the 1954-55 year, as indicated above, are based on incomplete data.

National Average Loan to Farmers for 1955 Crop Increased From $2.06 to $2.08

On July 5, the Department announced that the national average loan rate to farmers for 1955-crop wheat was increased from the minimum rate announced last September of $2.06 to $2.08 as a result of an increase in the parity price. This compares with a national average support price for 1954-crop wheat of $2.24 per bushel.

The minimum support price announced September 15, 1954 was in accordance with the "forward pricing" provisions of the Agricultural Act of 1949. If the wheat parity price at the beginning of the marketing year should be higher than the $2.50 parity price of August 1954, which was used to determine the 82½ percent-of-parity minimum support price, the minimum rates must be increased. The parity on June 15 was $2.52, 82½ percent of which is $2.08.

On May 31, the Department issued the rates for terminals and for about 2,694 commercial and 378 noncommercial wheat producing counties of the United States. The county rates when adjusted for grade and quality are used to determine support prices for individual producers. The rates announced in May now need to be increased by 2 cents for the commercial areas and the rate for noncommercial areas recomputed at 75 percent of the revised rate.

In addition to the release of terminal and county rates, a revised list of premiums for different classes and qualities of wheat and modifications in Pacific Northwest terminal prices was released. Premiums this year have been increased 15 cents per bushel for hard amber durum and 11 cents per bushel for amber durum. Protein premiums have also been increased for the higher protein content hard red spring wheat and hard winter wheat east of the Rocky Mountains, and for Baart and Bluestem varieties of hard white wheat.

Location differentials used in the rates announced are generally in line with those used in prior years. The relationships between terminals generally reflect average differences in historical market prices, and the county rates are based essentially on the freight and handling charges to applicable terminal markets. Prices at ports are generally higher than at other locations.

One change from last year's program is that discounts have been eliminated on rates for the soft classes of wheat (soft red winter, soft white, etc.) east of the Rocky Mountains.

USDA officials state that a schedule of discounts for those varieties of wheat which are undesirable for milling and baking purposes is now under consideration for the 1956 wheat price-support operation. If a schedule of discounts suitable for practical operations can be developed, it is intended that announcement will be made in late August before planting of the 1956 winter wheat crop. The objective of such a schedule would be to increase the quality of the wheat crop.

Representative Actual Support Rates

There are wide differences in the classes and grades of wheat produced and marketed in the various areas of the United States. In some areas, most of the wheat will be No. 1 grade hard wheat. In other areas only soft wheat, generally grading No. 2 and No. 3, is produced. In addition to geographical price differences, premiums and discounts are applied to the basic rate to obtain the support price for individual lots of wheat. Table 4 gives specific support prices, compared with a year ago for the most representative classes and grades of wheat produced in the different areas with storage paid at the listed terminals. Premiums are paid for protein, and discounts made for other factors, such as garlicky wheat.

In the 12 States disignated as the noncommercial wheat producing area, support rates are 75 percent of the rates calculated on the national average. The States included in the noncommercial area are: Alabama, Arizona, Connecticut, Florida, Louisiana, Maine, Massachusetts, Mississippi, Nevada, New Hampshire, Rhode Island and Vermont. Farm wheat allotments and marketing quotas do not apply in these States.

Table 4.- Wheat: Representative support prices, by classes and grades, different markets, 1954 and 1955

Class, grade and terminal	Support rate	
	1954	1955
	Dol. per bu.	Dol. per bu.
Hard Red Spring		
Grade No. 1 Heavy, 16 percent protein, Minneapolis	2.66	2.50
Grade No. 1 Heavy, 14 percent protein, Minneapolis	2.60	2.46
Grade No. 1 ordinary protein, Minneapolis	2.57	2.41
Soft Red Winter		
Grade No. 3 garlicky, Baltimore	2.45	2.32
Grade No. 3, Chicago	2.51	2.35
Grade No. 3 light garlicky, Chicago	2.45	2.29
Grade No. 3, Kansas City	2.47	2.35
Hard Red Winter		
Grade No. 2, Chicago	2.57	2.37
Grade No. 2, Kansas City	2.53	2.37
Grade No. 2, Galveston	2.68	2.52
Soft White		
Grade No. 1, Portland	2.46	2.28
Grade No. 1, San Francisco	2.52	2.36
Durum		
Grade No. 1, Amber, Minneapolis	2.61	2.56
Grade No. 1, Hard Amber, Minneapolis	2.67	2.66

The 1955-crop wheat will be supported as in the past through loans on farm- and warehouse-stored wheat and through the purchase of wheat delivered by producers under purchase agreements. Loans and purchase agreements will be available from harvest time through January 31, 1956. In most States, loans will mature on March 31, 1956 and in the remaining 16 eastern and southern States, loans will mature on February 29, 1956. Producers who elect to deliver wheat under purchase agreements must notify their county Agricultural Stabilization and Conservation Committees within a 30-day period ending on the loan maturity date for the State.

In order to obtain price support on his 1955 crop of wheat and to receive a wheat marketing card on all other farms in the county in which he has an interest in the wheat crop, in commercial wheat-producing States, a producer must comply with his 1955 wheat acreage allotment.

Producers who exceed their 1955 wheat acreage allotment are subject to a marketing penalty on their excess production. The marketing penalty for the 1955 program is $1.13 per bushel which is 45 percent of the wheat parity price of $2.51 per bushel on May 15, 1955.

Cash Wheat Prices Adjusting Downward Influenced by Lower Loan and New Movement

Cash prices of hard wheats at Kansas City have been adjusting downward since late May, influenced by the lower loan levels for 1955 crop and the movement of that crop to market. Prices at Minneapolis showed some weakness most of June and on July 13 were moderately lower than in late May. Prices of soft red winter wheat at St. Louis reached their high point for the 1954-55 season in late December and again in late January. Prices of soft white at Portland even in late June were the highest for the year. Ordinarily, wheat prices at this time of the year are much weaker than they are this year. The price of No. 2 Hard Winter wheat at Kansas City on July 13 this year was $2.13 compared with $2.20 a year earlier, and the price of No. 1 Dark Northern Spring at Minneapolis on July 13 was $2.44, compared with $2.32 a year earlier. Prices this year have been maintained by an urgent need of receipts from the new crop to replenish nearly exhausted stocks of old "free" wheat supplies, a delay in crop movement because of unfavorable harvesting weather, and by good milling and baking qualities of the early marketings.

Prices of hard winter wheat in mid-June and again recently have been sufficiently high relative to the loan so that the wheat sold freely, with only a small part of receipts being placed under loan.

On July 13, the price of No. 2 Hard Winter Wheat, ordinary protein, at Kansas City at $2.13 was 12 cents below the effective new crop loan rate (2.37 less storage deduction of 12 cents on warehouse storage), while the price of No. 2 Soft Red Winter at St. Louis at $2.04 was 19 cents below the effective loan ($2.35 less 12 cents). However, the price of No. 1 Dark Northern Spring, ordinary protein, at Minneapolis at $2.44 was 14 cents above its effective loan rate, reflecting the later harvest of the tributary area. The price of No. 2 Soft White at Portland is also well above its loan rate.

Even though over 40 percent of the 1954 crop was under loan or owned by CCC this spring, prices failed to rise before the time of the adjustment to new crop conditions so as to substantially increase redemptions. Apparently, supplies of "free" wheat, although probably at an all time low, were about ample to take care of minimum needs until the new crop became available. Moreover, the 1954-55 marketing year and the two years previous were the only years since the support programs were started in 1938 that prices did not average above loan rates at some time during the season. However, prices for hard winter and spring wheats, durum, and white wheat did advance above the effective loan levels for varying periods.

Wheat Prices in 1955-56 May Average Close to Effective Loan Rates

With the 1955 crop smaller than likely disappearance (last year production was about 100 million bushels more than disappearance), it is probable that early season prices will not fall as far below the loan rate as in many years, and for the marketing year as a whole may average slightly higher relative to the loan than in 1954-55. Prices received by farmers this year may average about $2.00, compared with the loan of $2.08, while in 1954-55 it averaged about $2.14 when the loan was $2.24. It is expected that the quantities that will be placed under the support programs may be larger than the quantities sold out of CCC stocks. This would tend to reduce the free supply.

With total disappearance in 1955-56 expected to be in the neighborhood of 880 million bushels, which is about 20 million bushels more than the indicated production of 860 million bushels, the situation is similar to 1950-51 when disappearance exceeded production and the carryover was reduced by about 30 million bushels. In that year, the price to growers averaged $2.00 per bushel, which was 1 cent above the loan, without storage charges. In 1951-52 a similar situation existed, with the price averaging about 2 cents above the "effective" loan. With growers now assuming storage charges averaging about 9 cents per bushel, the actual amount depending upon the time the wheat is put into warehouse storage, a comparable "effective" loan for the 1955 crop at the announced rate of $2.08 would be $1.99 per bushel. Since the situation this year is somewhat similar to that in 1950-51 and 1951-52, the price in 1955-56 may average about $2.00 per bushel.

"Distress" Price Support Loans Announced for 1955-Crop Wheat

The Department of Agriculture announced on May 12 that special "distress" price-support loans will be available for a temporary period this summer for 1955-crop wheat in certain areas where regular storage facilities are not available and where wheat can be stored successfully either on the ground or in temporary structures during the summer. In general, provisions for making these special 1955-crop wheat loans are similar to those for 1953 and 1954 crops.

Reports from some States, particularly in the plains area, indicate that storage may be short during harvest and producers might not be able to put their wheat under the regular loan. Special distress loans are designed to aid producers by making it possible for them to get price support at harvest time, thus making possible more orderly marketing.

The distress loans were authorized on a recourse basis at 80 percent of regular county loan rates. The wheat must meet all the eligibility requirements, except storage, for a regular price-support loan to be eligible for a "distress" loan. The special loans will run for a 90-day period. During this time, farmers will be expected to arrange for adequate on-farm or commercial storage. Farmers will then be able to take out a regular price-support loan, replacing the temporary distress loan, provided the wheat again meets eligibility requirements.

Distress loans were authorized on a nationwide basis but their availability will be limited to counties or areas designated by State Agricultural Stabilization and Conservation Committees as needing this special type of temporary loan. The eligibility may extend to wheat stored on the ground where feasible, or in some sections only to wheat stored in temporary structures. Eligible areas and type of storage permitted will be determined and announced by State ASC Committees.

Farmers taking out distress loans will be responsible for any loss in quantity or quality of wheat during the loan period. If they obtain suitable storage and take out regular price-support loans later, the regular loans will be made on the basis of quantity, quality, and condition of the wheat at that time. If farmers deliver their wheat in satisfaction of the distress loan, settlement will be made at the market price on the basis of the quantity and quality of the wheat at delivery time. If at going market prices the delivered wheat more than satisfies the distress loan and interest, the farmers will receive payment for this difference. If the wheat fails to cover the distress loan obligation, the farmer will pay the difference to CCC.

Growers Vote Marketing Quotas; Minimum Support for 1956 Crop $1.81

Farmers voted 77.5 percent in favor of marketing quotas for the 1956 wheat crop in referendum held on June 25. This is above the two-thirds national majority required by law to put marketing quotas in effect.

States west of the Mississippi, which include heavy producing areas of hard red winter, hard red spring, durum, and white wheats generally gave more than the required two-thirds majority. Also, in the "yes" column were Kentucky and Virginia, and States to the South. States having less than the required two-thirds favorable vote included Missouri, Nebraska, Utah, California, and Illinois, and the important soft wheat States in the East. Any wheat producer in commercial areas who will have more than 15 acres of wheat for harvest as grain in 1956, was eligible to vote in the referendum.

The referendum for the 1956 crop marked the fifth time farmers have voted marketing quotas for wheat. They approved quotas for the 1941 crop by 81 percent favorable vote, for the 1942 crop by 82.4 percent, the 1954 crop by 87.2 percent, and for the 1955 crop by 73.3 percent.

With quotas approved in the referendum, the national average support price for the 1956 crop will be not less than $1.81 per bushel. The full support level will be available in the 36 commercial wheat States for producers who comply with their individual farm acreage allotments. Support rates in the 12 noncommercial wheat States are set by law at levels representing 75 percent of the rates calculated on the national average. In the noncommercial States, acreage allotments and marketing quotas will not apply.

The minimum support announced will not be lowered, but it will be raised if a combination of changes in parity price and the supply situation calls for an increase on July 1, 1956.

The minimum national average rate of $1.81 a bushel reflects 76 percent of the estimated parity level. The May 15 parity, which was the most recent at that time, was $2.51 a bushel on the "old" formula basis. For 1956 transitional parity will be in effect and will be 95 percent of the parity prices on the old formula basis. On the basis of the May 15, 1955 parity price, this would bring the effective parity price to $2.38 per bushel which was used in determining the minimum national support price for 1956.

How the 76 Percent of Parity Was Determined

The law provides that the price of wheat for crops harvested in 1956 and later years, when marketing quotas are proclaimed and approved by a referendum, be supported at 75 to 90 percent of parity, depending on the estimated supply of wheat available for the marketing year.

The legislation provides a formula for determining the "normal" supply for a marketing year on the basis of a year's domestic use and exports plus a 20 percent allowance for reserves. If the actual supply exceeds this "normal" supply, the price support level is adjusted downward in accordance with the formula.

An additional factor which must be considered in determining price support levels involves wheat which is officially "set-aside" under legislative provisions for a special reserve. A total of 500 million bushels has been set aside under these provisions. The amount of wheat which will still be set aside at the beginning of the marketing year (July 1, 1956, for 1956-crop wheat) will be deducted from total supply figures before price support levels are calculated.

The basic data and estimates upon which price determinations were made are as follows:

The "normal" supply was estimated for the 1956-57 marketing year at the time of the determination, at 1,122 million bushels. This was based on an estimate of probable domestic use of 675 million bushels in the 1955-56 marketing year, including food, feed, and seed use; estimated exports of 260 million bushels during the 1956-57 marketing year; and an allowance of 187 million bushels for reserves.

The amount of wheat estimated as actually available for the 1956-57 marketing year was estimated at 1,820 million bushels. This was based on an estimated carryover of 965 million bushels of former-crop wheat on July 1, 1956; plus an estimated 1956 crop of 852 million bushels (the 55 million acre wheat allotment for 1956 with a U. S. average yield of 15.5 bushels per acre); plus estimated imports of 3 million bushels.

From this gross total of 1,820 million bushels, 375 million bushels were deducted as the estimate of wheat remaining in the "set-aside" as of July 1, 1956 (a reduction of 125 million bushels from the original set-aside figure).

This left the net supply figure for use in calculating price support levels for the 1956 wheat crop at 1,445 million bushels. This is 128.8 percent of the "normal" supply of 1,122 million bushels.

Under the formula of the controlling legislation, a price support level at 76 percent of parity was indicated by this relationship of net available supply to "normal" supply since quotas had been approved. As already mentioned, this percentage will be refigured on the basis of information available July 1, 1956, at the beginning of the marketing year.

Wheat is one of the few agricultural commodities for which the "old" formula has been used in determining parity prices in recent years. Parity for most commodities has been determined on a new or modernized formula which recognizes changing price relationships by basing relationships among parity prices of the various farm products on the price relationships that existed in the most recent 10-year period.

In 1956, parity for wheat and the three other commodities--cotton, corn and peanuts--start the transition to the modernized formula. Under the law, the downward adjustment cannot exceed 5 percent of the old parity price in any one year. Wheat parity under the old formula as of May 15, 1955 was $2.51 a bushel. Allowing for the 5 percent transitional drop in 1956, we get $2.38. Seventy-six percent of this "transitional" parity is $1.81 a bushel, the minimum national support announced on June 10.

As under past programs, price support will be accomplished through loans on farm- and warehouse-stored wheat and through purchase of wheat delivered by producers under purchase agreements. Loans and purchase agreements will be available from harvest time through January 31, 1957. In most States, loans will mature on March 31, 1957, and in a number of eastern and southern States, loans will mature on February 28, 1957. Producers who elect to deliver wheat under purchase agreements must notify their county Agricultural Stabilization and Conservation Committees within a 30-day period ending on the loan maturity date for the State. Loans will be available from county ASC offices.

The Department also announced, in connection with the 1956 wheat allotment program, that farmers who seed between 75 and 100 percent of their 1956 farm wheat acreage allotments will not be penalized in the establishment of any future wheat allotments. In the 1954 and 1955 wheat allotment programs, producers who seeded between 90 and 100 percent of their allotments were not penalized for underseeding. This provision will make it unnecessary for a producer to plant "right up to his allotment" to protect his acreage history. If a producer does not underseed by more than 25 percent, the farm will be considered as having the full allotment planted in 1956 for the purpose of future wheat acreage allotment determinations.

THE WORLD WHEAT SITUATION

Slightly Larger Northern Hemisphere Wheat Crop in Prospect

Present prospects indicate that the 1955 wheat crop in the Northern Hemisphere may be slightly larger than in 1954. Conditions are variable, with sizable increases in some areas partly offset by smaller harvests in others. Carryover stocks in the principal exporting countries continue large and the world supply of wheat for the 1955-56 season may be at a new record level.

A net increase is expected in North America with a decline in the United States more than offset by more favorable prospects for Canada. While it is too early to have any definite information on the size of the prospective crop in Canada, indications point to a somewhat larger outturn than the small harvest of 1954. Moisture conditions at seeding time were generally the most favorable reported for years which appears to offset the handicaps of a relatively late season and flooding in a number of Western Canada areas. A rust-resistant variety of wheat, Selkirk, is reported to be in use over most of Manitoba and Eastern Saskatchewan where rust was responsible for a considerable amount of damage last season. If moisture supplies are adequate during the remainder of the season a considerably larger crop should be produced than the 299 million bushels harvested in 1954.

Reports from Europe show variable prospects. Some of the principal producing countries of Western Europe expect smaller outturns than the good crop of a year ago while others have near-record crops in prospect. The largest reduction is indicated for Spain, where recent reports place the 1955 crop sharply below the large 1954 harvest of 180 million bushels. The wheat harvest in Portugal is reported to be only two-thirds of the 1954 production, despite slightly increased acreage.

In France winter wheat prospects are described as excellent. Development of spring-sown grain has been retarded because of earlier unfavorable weather conditions. However, this is not expected to affect over-all production significantly since only a very small part of the total wheat acreage is in spring wheat. The total wheat acreage is slightly larger than in 1954, and if conditions continue favorable the harvest will be sharply above average and may approach the record level of last year. A crop of the size indicated together with substantial carryover stocks assure another large exportable surplus.

Dry weather in recent weeks has diminished hopes for the 1955 wheat harvest in Italy. The June estimate, recently released by the Ministry of Agriculture, is for a crop of about 300 million bushels. Previous trade estimates for the 1955 harvest had ranged as high as the record outturn of 333 million bushels in 1953. The effects of the dry weather, which are general throughout Italy, were less pronounced in southern and central Italy, where the harvest had already started in many areas before the lack of rainfall was felt.

Conditions in Western Germany are generally satisfactory and in many respects better than at this time a year ago. Winter wheat acreage remaining for harvest is considerably larger than this time last year, since winterkill was comparatively light, 2.7 percent compared with 25.6 percent last season. Spring wheat, which is a very minor proportion of the total wheat crop, is developing satisfactorily though it is 2-3 weeks late.

A somewhat smaller wheat crop is expected in the United Kingdom, mainly because adverse weather interfered with the fall seeding program. The resulting decrease in winter wheat acreage could not be fully made up by increased spring wheat acreage. The total acreage appears to be about 18 percent less than the 1954 acreage. At latest report, crops were developing satisfactorily though still backward as a result of cold, windy days during April and May.

Wheat production in the important producing Danube Basin area seems likely to be at least as large as last year. In Yugoslavia, fall wheat has been reported in excellent condition. In Czechoslovakia, Poland, and East Germany, fall and winter conditions were much better than last season. Spring conditions were less favorable, however, and have had an adverse effect on crops.

Prospects, so far, are for a larger wheat outturn in the Soviet Union than last year when yields were only fair. The more favorable prospects are attributed to a considerable acreage increase reported on the new lands in eastern regions and better growing conditions, on the whole, in the southern regions which suffered from a drought last year.

Conditions in French North Africa are less favorable than in 1954 and the total outturn for that area may be about 10 percent less than last year. The reduction is especially marked in Tunisia. Production in Egypt is estimated to be about at the record level of a year ago.

Wheat production in Asia seems likely to be larger than in 1954 mainly because of much better prospects for Turkey. On the basis of information available to date, the 1955 harvest in Turkey will be large, with a substantial surplus available for export. Acreage for the current crop is the largest on record. Production in India is also large, and unofficial sources state that the outturn is sufficient to fill domestic needs for the current season.

The crop in Japan is reported slightly above average, though not up to the high level of 1954. Conditions have been unusually favorable in Iran and a good harvest is expected. The wheat harvest in Syria is sharply below the large 1954 crop and is not large enough to fill domestic requirements, according to unofficial sources. In Iraq, too, the current crop is much below the high level of the past 2 years. As a result of rust and drought during February and March in Northern areas, the crop is privately estimated to be 40 percent below the bumper harvest in 1954. As a consequence, further exports of wheat have been banned. No imports will be required, however, as carryover from the 1954 crop is substantial.

World Trade in Wheat in 1954-55 Up About 7 Percent from Year Earlier

World trade in wheat, including products in terms of wheat, are tentatively estimated for 1954-55 by the Foreign Agricultural Service at about 940 million bushels, about 7 percent above the 879 million a year earlier. While below the 1,066 million bushels in 1951-52, it has been exceeded in only 4 years. Exports were generally larger in 1954-55 than a year earlier, except for Canada. Table 15 shows world exports by principal countries, averages 1900-53, annual 1945-55.

Supplies of old wheat remaining on July 1, 1955 in the four major overseas exporting countries for export and carryover are estimated to total about 1.75 billion bushels, insignificantly different from the record of a year ago (table 14).

Table 5 .- Wheat: Production and farm disposition, United States, 1940-54 1/

Crop year	Production	Used for seed		Fed to livestock 2/	Ground at mills for home use or exchanged for flour	Sold or for sale
		Total	Home grown 2/			
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
1940	814,646	74,351	62,047	98,972	10,348	643,279
1941	941,970	62,490	54,004	98,871	9,020	780,075
1942	969,381	65,487	55,040	91,315	7,259	815,767
1943	843,813	77,351	61,571	89,821	5,690	686,731
1944	1,060,111	80,463	63,934	104,011	5,409	886,757
1945	1,107,623	82,006	63,980	98,876	4,470	940,297
1946	1,152,118	86,823	69,039	88,406	3,861	990,812
1947	1,358,911	91,094	72,244	94,766	4,023	1,187,878
1948	1,294,911	95,015	73,046	98,020	3,475	1,120,370
1949	1,098,415	80,815	60,728	84,877	2,911	949,899
1950	1,019,389	87,427	65,267	74,181	2,851	877,090
1951	980,810	87,252	65,603	67,161	2,647	845,399
1952	1,298,957	88,258	68,414	66,121	2,593	1,161,829
1953	1,169,484	68,713	53,034	68,664	2,460	1,045,326
1954 3/	969,781	62,905	47,065	55,739	2,276	864,701

1/ Data for 1909-28 in The Wheat Situation for May 1941, page 16; for 1929-39 in The Wheat Situation, May-June 1949, page 26.

2/ Relates to quantities used by producers on their own farms; additional quantities are also utilized.

3/ Preliminary.

Table 6 .- Wheat: Supply and distribution, United States, 1909-1955

Year beginning July	Stocks July 1 1/	New crop	Total domestic supply	Total domestic disappearance	Net exports 2/	Stocks June 30 1/
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
1909	55	684	739	541	88	110
1910	110	625	735	540	70	125
1911	125	618	743	554	79	110
1912	110	730	840	571	144	125
1913	125	751	876	615	146	115
1914	115	897	1,012	609	336	67
1915	67	1,009	1,076	609	242	225
1916	225	635	860	596	184	80
1917	80	620	700	555	105	40
1918	40	904	944	580	279	85
1919	85	952	1,037	647	220	170
1920	170	843	1,013	573	316	124
1921	124	819	943	578	269	96
1922	96	847	943	603	208	132
1923	132	759	891	619	135	137
1924	137	842	979	613	258	108
1925	108	669	777	585	95	97
1926	97	832	929	610	210	109
1927	109	875	984	677	194	113
1928	113	914	1,027	653	147	227
1929	227	824	1,051	616	144	291
1930	291	887	1,178	750	115	313
1931	313	942	1,255	753	127	375
1932	375	756	1,131	717	36	378
1933	378	552	930	628	29	273
1934	273	526	799	654	3/- 1	146
1935	146	628	774	661	3/-27	140
1936	140	630	770	689	3/-22	103
1937	4/ 83	874	957	701	103	153
1938	153	920	1,073	713	110	250
1939	250	741	991	662	49	280
1940	280	815	1,095	676	34	385
1941	385	942	1,327	667	29	631
1942	631	969	1,600	949	32	619
1943	619	844	1,463	1,237	3/-91	317
1944	317	1,060	1,377	992	106	279
1945	279	1,108	1,387	894	393	100
1946	100	1,152	1,252	766	402	84
1947	84	1,359	1,443	757	490	196
1948	196	1,295	1,491	678	506	307
1949	307	1,098	1,405	679	301	425
1950	425	1,019	1,444	690	358	396
1951	396	981	1,377	673	448	256
1952	256	1,299	1,555	693	300	562
1953	562	1,169	1,731	614	215	902
1954 5/	902	970	1,872	603	269	1,000
1955 6/	1,000	860	1,860			

1/ 1909-22, partly estimated to include positions as currently reported. 2/ Includes products in terms of wheat and includes shipments to U.S. territories, currently totaling about 4 million bushels. 3/ Net imports. 4/ 1909-36, some new wheat included in commercial and merchant mill stocks; 1937 to date, only old-crop is shown. 5/ Preliminary. 6/ Estimated.

Table 7.- Estimated supply and distribution of wheat, by classes, continental United States, 1941-55 1/

Item	Year beginning July														
	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954 2/	1955 2/
	Mil. bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.
All wheat															
Stocks, July 1	385	631	619	317	279	100	84	196	307	425	396	256	562	902	1,000
Production	942	969	844	1,060	1,108	1,152	1,359	1,295	1,099	1,019	981	1,299	1,170	970	860
Imports	4	1	136	42	2	0	0	1	2	12	32	21	6	5	5
Supply	1,331	1,601	1,599	1,419	1,389	1,252	1,443	1,492	1,408	1,456	1,409	1,576	1,738	1,877	1,865
Exports 3/	32	33	44	148	393	401	489	507	302	369	479	321	220	274	
Carryover	631	619	317	279	100	84	196	307	425	396	256	562	902	1,000	
Domestic disappearance	668	949	1,238	992	896	767	758	678	681	691	674	693	616	603	
Hard red winter															
Stocks, July 1	160	291	317	113	109	37	28	110	167	252	214	97	358	545	682
Production	396	486	364	468	521	582	744	648	541	459	376	715	493	471	373
Supply	556	777	681	581	630	619	772	758	708	711	590	812	851	1,016	1,055
Exports 3/	20	20	20	104	237	271	338	352	180	199	251	184	78	125	
Carryover	291	317	113	109	37	28	110	167	252	214	97	358	545	682	
Domestic disappearance	245	440	548	368	356	320	324	239	276	298	242	270	228	209	
Soft red winter															
Stocks, July 1	40	54	29	18	19	11	8	16	16	29	24	16	38	62	47
Production	204	149	125	203	208	183	210	211	203	162	151	199	243	200	183
Supply	244	203	154	221	227	194	218	227	219	191	175	215	281	262	230
Exports 3/	2	1	1	13	66	31	45	42	35	30	23	40	56	62	
Carryover	54	29	18	19	11	8	16	16	29	24	16	38	62	47	
Domestic disappearance	188	173	135	189	150	155	157	169	155	137	136	137	163	153	
Hard red spring															
Stocks, July 1	136	206	205	151	112	39	31	48	79	86	104	117	121	196	147
Production	202	206	227	236	221	215	220	226	169	207	255	182	219	144	163
Imports	4	0	133	38	0	0	0	1	2	12	30	21	6	5	5
Supply	342	412	565	425	333	254	251	275	250	305	389	320	346	345	315
Exports 3/	2	2	7	24	53	39	49	59	23	49	87	17	11	30	
Carryover	206	205	151	112	39	31	48	79	86	104	117	121	196	147	
Domestic disappearance	134	205	407	289	241	184	154	137	141	152	185	182	139	168	
Durum															
Stocks, July 1	25	34	27	14	8	5	9	10	18	25	24	15	7	5	---
Production	41	42	34	30	33	36	45	46	40	38	36	23	14	6	14
Imports	0	1	3	4	2	0	0	0	0	0	2	---	---	---	---
Supply	66	77	64	48	43	41	54	56	58	63	62	38	21	11	14
Exports 3/	1	1	1	2	1	4	15	4	2	10	15	3	---	---	
Carryover	34	27	14	8	5	9	10	18	25	24	15	7	5	---	
Domestic disappearance	31	49	49	38	37	28	29	34	31	29	32	28	16	11	
White															
Stocks, July 1	24	46	41	21	31	8	8	12	27	33	30	11	38	94	124
Production	99	86	94	123	125	136	140	164	146	153	163	180	201	149	127
Supply	123	132	135	144	156	144	148	176	173	186	193	191	239	243	251
Exports 3/	7	9	15	5	36	56	42	50	62	81	103	77	75	57	
Carryover	46	41	21	31	8	8	12	27	33	30	11	38	94	124	
Domestic disappearance	70	82	99	108	112	80	94	99	78	75	79	76	70	62	

1/ 1929-1940 in the Wheat Situation, September 1943, page 12.
2/ Subject to revision.
3/ In addition to wheat grain, includes grain equivalent of flour made from U. S. wheat; also semolina and macaroni (in terms of wheat) for years beginning July, in million bushels, as follows: 1942, 1; 1943, 1; 1944, 2; 1945, 1; 1946, 3; 1947, 6; and 1948, 1; other years less than 1. Also, includes shipments to territories of the United States.

Note.- Figures in this table are not based on survey nor enumeration data and are therefore only approximations. Estimated stocks on farms and in interior mills, elevators, and warehouses by kinds, are assumed to be present in about the same proportion as produced; the classes within kinds are established on the basis of the quinquennial wheat-variety surveys. Commercial stocks are reported by classes, and merchant mill stocks are broken down largely on the basis of the distribution by classes of commercial stocks, after making allowance for quantities going for export. Exports and shipments by classes are estimated on the basis of "inspection for export" for wheat as grain, and on the basis of the area from which exports are made for flour; also, on the basis of records of the former War Food Administration and the Department of Agriculture, and export indemnifying agencies.

Table 8.- Wheat and wheat flour: Exports from United States, by quarters, 1935-54 1/

Year and quarter	Wheat	Flour	Total	Year and quarter	Wheat	Flour	Total
	1,000 bushels	1,000 bushels	1,000 bushels		1,000 bushels	1,000 bushels	1,000 bushels
1935				1945			
July-Sept.	88	1,092	1,180	July-Sept.	59,054	35,429	94,483
Oct.-Dec.	77	924	1,001	Oct.-Dec.	79,872	25,473	105,345
Jan.-Mar.	70	914	984	Jan.-Mar.	75,478	28,056	103,534
Apr.-June	76	966	1,042	Apr.-June	58,609	26,403	85,012
Total	311	3,896	4,207	Total	273,013	115,361	388,374
1936				1946			
July-Sept.	735	1,717	2,452	July-Sept.	50,605	27,766	78,371
Oct.-Dec.	997	1,000	1,997	Oct.-Dec.	49,325	32,285	81,610
Jan.-Mar.	133	1,579	1,712	Jan.-Mar.	58,965	60,666	119,631
Apr.-June	1,303	1,803	3,106	Apr.-June	39,896	74,470	114,366
Total	3,168	6,099	9,267	Total	198,791	195,187	393,978
1937				1947			
July-Sept.	10,276	2,768	13,044	July-Sept.	87,783	51,682	139,465
Oct.-Dec.	23,137	4,520	27,657	Oct.-Dec.	78,396	35,739	114,135
Jan.-Mar.	25,674	4,154	29,828	Jan.-Mar.	73,158	42,449	115,607
Apr.-June	24,653	4,878	29,531	Apr.-June	65,351	44,234	109,585
Total	83,740	16,320	100,060	Total	304,688	174,104	478,792
1938				1948			
July-Sept.	24,227	3,829	28,056	July-Sept.	107,403	46,551	153,954
Oct.-Dec.	12,348	4,542	16,890	Oct.-Dec.	81,592	34,973	116,565
Jan.-Mar.	27,488	5,684	33,172	Jan.-Mar.	92,378	28,725	121,103
Apr.-June	20,526	8,002	28,528	Apr.-June	94,047	16,890	110,937
Total	84,589	22,057	106,646	Total	375,420	127,139	502,559
1939				1949			
July-Sept.	11,451	7,806	19,257	July-Sept.	2/83,226	11,872	95,098
Oct.-Dec.	3,750	5,263	9,013	Oct.-Dec.	64,774	9,115	73,889
Jan.-Mar.	5,743	5,113	10,856	Jan.-Mar.	56,094	9,197	65,291
Apr.-June	2,692	3,050	5,742	Apr.-June	54,627	9,565	64,192
Total	23,636	21,232	44,868	Total	258,721	39,749	298,470
1940				1950			
July-Sept.	3,811	4,124	7,935	July-Sept.	43,033	9,332	52,365
Oct.-Dec.	2,134	6,675	8,809	Oct.-Dec.	52,298	7,635	59,933
Jan.-Mar.	2,100	4,326	6,426	Jan.-Mar.	92,038	13,128	105,166
Apr.-June	2,765	7,687	10,452	Apr.-June	134,466	13,643	148,109
Total	10,810	22,812	33,622	Total	321,835	43,738	365,573
1941				1951			
July-Sept.	4,569	4,825	9,394	July-Sept.	101,439	9,844	111,283
Oct.-Dec.	3,675	2,865	6,540	Oct.-Dec.	94,706	12,362	107,068
Jan.-Mar.	3,225	3,472	6,697	Jan.-Mar.	133,549	11,157	144,706
Apr.-June	1,163	3,732	4,895	Apr.-June	102,690	8,968	111,658
Total	12,632	14,894	27,526	Total	432,384	42,331	474,715
1942				1952			
July-Sept.	1,342	3,872	5,214	July-Sept.	63,361	9,457	72,818
Oct.-Dec.	886	2,966	3,852	Oct.-Dec.	69,883	11,856	81,739
Jan.-Mar.	1,217	4,757	5,974	Jan.-Mar.	88,956	9,747	98,703
Apr.-June	3,110	8,353	11,463	Apr.-June	54,581	9,349	63,930
Total	6,555	19,948	26,503	Total	276,781	40,409	317,190
1943				1953			
July-Sept.	2,754	3,820	6,574	July-Sept.	60,685	6,667	67,352
Oct.-Dec.	4,759	6,541	11,300	Oct.-Dec.	31,315	9,473	40,788
Jan.-Mar.	2,166	9,764	11,930	Jan.-Mar.	34,933	37,999	42,932
Apr.-June	2,263	8,208	10,471	Apr.-June	55,863	9,072	64,935
Total	11,942	28,333	40,275	Total	182,796	33,211	216,007
1944				1954			
July-Sept.	8,132	7,352	15,484	July-Sept.	44,412	8,996	53,408
Oct.-Dec.	6,426	19,024	25,450	Oct.-Dec.	57,261	11,289	68,550
Jan.-Mar.	15,813	16,329	32,142	Jan.-Mar.	73,059	12,338	85,397
Apr.-June	42,997	25,832	68,829	Apr.-June			
Total	73,368	68,537	141,905	Total			

1/ Excludes flour milled from imported wheat. 2/ 6,061,000 bushels shipped to Canada for storage not included.

Table 9.- Wheat: Loan rate, actual price to growers, supply and distribution factors, quantity pledged and delivered to CCC, stocks owned by CCC and loans outstanding, 1938-55

Year beginning July	Gross loan rate	Average actual price to growers 1/	Price above loan	Supply and distribution factors: Total domestic supply 2/	Domestic disappearance 3/	Net exports 4/	Year-end carryover	Under price support
	Dollars	Dollars	Dollars	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
1938	0.59	0.56	-0.03	1,073	713	110	250	85.7
1939	.63	.69	.06	991	662	49	280	167.7
1940	.64	.67	.03	1,094	675	34	385	278.5
1941	.98	.94	-.04	1,327	667	29	631	366.3
1942	1.14	1.09	-.05	1,600	949	32	619	408.1
1943	1.23	1.35	.12	1,463	1,237	5/-91	317	130.2
1944	1.35	1.41	.06	1,377	992	106	279	180.4
1945	1.38	1.49	.11	1,387	894	393	100	59.7
1946	1.49	1.90	.41	1,252	766	402	84	22.0
1947	1.84	2.29	.45	1,443	757	490	196	31.2
1948	2.00	1.98	-.02	1,491	678	506	307	6/366.0
1949	1.95	1.88	-.07	1,406	680	301	425	7/380.8
1950	1.99	2.00	.01	1,444	690	358	396	8/196.9
1951	2.18	2.11	9/-.07	1,377	673	448	256	10/212.9
1952	2.20	2.09	9/-.11	1,555	693	300	562	11/459.9
1953	2.21	2.04	9/-.17	1,731	614	215	902	12/557.8
1954 13/...	2.24	2.14	9/-.10	1,872	603	269	1,000	14/430.6
1955 13/...	2.08			1,860	(606)	(269)	(985)	

Year beginning July	Delivery to CCC 15/	CCC stocks and loans outstanding at year-end (June 30): Stocks owned by CCC 16/	Under loan: Crop previous July 17/	Under loan: Crops of earlier years	Total
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
1938	15.7	6.0	21.5	---	27.5
1939	7.7	1.6	10.3	---	11.9
1940	173.7	169.2	31.4	7.2	207.8
1941	269.8	319.7	98.1	1.4	419.2
1942	184.0	259.8	133.3	4.9	398.0
1943	0.3	99.1	15.5	2.5	117.1
1944	72.9	103.7	20.1	1.9	125.7
1945	.2	---	32.5	---	32.5
1946	---	---	0.7	---	0.7
1947	---	---	.8	---	.8
1948	290.9	227.2	16.3	---	243.5
1949	247.4	327.7	28.5	5.0	361.2
1950	41.9	196.4	8.9	2.3	207.6
1951	91.3	143.3	11.6	---	154.9
1952	396.2	470.0	22.5	---	492.5
1953	473.1	774.6	17/71.4	3.9	849.9
1954	18/345.6	19/961.1			

1/ United States marketing year prices are the result of (1) weighting State monthly prices by monthly sales to obtain State marketing-year averages, and (2) weighting the State marketing-year averages by total sales for each State. Includes an allowance for unredeemed loans at average loan values beginning 1938. 2/ Beginning carryover plus production. 3/ Total supply minus net exports minus year-end carryover. 4/ Includes shipments to United States Territories of about 4 million bushels annually. 5/ Exports totaled 45 million bushels and imports used to supplement domestic animal feed supplies totaled 136 million bushels. 6/ Includes 112.0 million bushels of 1948-crop wheat put under purchase agreements. 7/ Includes 45.5 million bushels of 1949-crop wheat put under purchase agreements. 8/ Includes 8.6 million bushels of 1950-crop wheat put under purchase agreements. 9/ Growers assumed storage charges which averaged 7 to 10 cents per bushel, depending on the time it was put under loan. 10/ Includes 13.4 million bushels of 1951-crop wheat put under purchase agreements. 11/ Includes 62.1 million bushels of 1952-crop wheat put under purchase agreements. 12/ Includes 63.1 million bushels of 1953-crop wheat put under purchase agreements. 13/ Preliminary. 14/ Includes 29.6 million bushels of 1954-crop wheat put under purchase agreements. 15/ Includes deliveries of purchase-agreement wheat to CCC. 16/ Includes open-market purchases, if any, beginning in 1943, and accordingly may include some new-crop wheat. 17/ For example, 71.4 million bushels is 1953-crop wheat under loan on June 30, 1954. 3.9 million bushels was under loan from earlier crops. Any new 1954-crop wheat is not included. 18/ Through June 15, 1955. 19/ As of May 31, 1955.

Table 10.- Wheat: Stocks in the United States on April 1, 1949-55

Stocks position	1949	1950	1951	1952	1953	1954	1955
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Farm 1/	243,582	193,579	217,111	197,895	269,523	296,598	207,920
Interior mills, elevators and warehouses 2/	147,878	190,884	200,642	112,337	247,706	380,137	428,636
Terminals (commercial) 3/	124,656	180,659	193,663	124,865	217,258	298,934	351,913
Merchant mills and mill elevators 4/	63,229	88,423	101.052	80,760	101,691	104,778	101,468
Commodity Credit Corp. 5/	3,376	5,548	3,156	2,037	4,351	47,483	122,509
Total	582,721	659,093	715,624	517,894	840,529	1,127,930	1,212,446

1/ Estimates of Crop Reporting Board. 2/ All off-farm storage not otherwise designated. 3/ Commercial stocks reported by Grain Division, AMS at 43 terminal cities. 4/ Mills reporting to the Bureau of Census on millings and stocks of flour. 5/ Owned by CCC and stored in bins or other storage owned or controlled by CCC; also CCC-owned wheat in transit and in Canadian elevators. Other wheat owned by CCC as well as wheat outstanding under loan is included in other stocks positions.

Table 11.- Wheat: Weighted average cash price, specified markets and dates, 1954-55

Month and date	All classes and grades six markets		No. 2 Dark Hard and Hard Winter Kansas City		No. 1 Dark N. Spring Minneapolis		No. 2 Hard Amber Durum Minneapolis		No. 2 Red Winter St. Louis		No. 1 Soft White Portland 1/	
	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Month												
Apr.	2.59	2.59	2.45	2.46	2.62	2.67	3.57	---	2.21	2.20	2.33	2.40
May	2.54	2.67	2.37	2.53	2.67	2.74	3.14	---	2/2.10	3/2.28	2.33	2.40
June	2.29	2.43	2.15	2.19	2.64	2.73	3.10	3/3.80	1.85	1.95	2.33	2.46
Week ended:												
Apr. 22	2.61	2.62	2.46	2.49	2.62	2.75	3.58	---	2.24	2.20	2.33	2.39
29	2.61	2.62	2.45	2.46	2.67	2.71	3.47	---	2.14	---	2.33	2.38
May 6	2.60	2.62	2.45	2.50	2.67	2.69	3.42	---	---	---	2.32	2.39
13	2.55	2.68	2.34	2.54	2.66	2.74	3.17	---	2.12	---	2.32	2.39
20	2.46	2.67	2.33	2.49	2.65	2.76	2.89	---	2.09	2.28	2.32	2.40
27	2.56	2.69	2.41	2.59	2.70	2.77	3.01	---	---	---	2.33	2.43
June 3	2.52	2.63	2.26	2.54	2.68	2.68	3.00	---	1.93	---	2.33	2.46
10	2.48	2.64	2.29	2.41	2.68	2.71	3.06	3/3.80	1.92	---	2.32	2.46
17	2.37	2.62	2.13	2.29	2.64	2.77	3.03	---	1.85	---	2.32	2.47
24	2.24	2.32	2.10	2.16	2.58	2.71	3.24	---	1.85	1.96	2.32	2.47
July 1	2.16	2.33	2.09	2.18	2.67	2.78	3.30	3/3.60	1.83	1.94	2.33	2.43

1/ Average of daily cash quotations. 2/ Only 2 cars. 3/ Only 1 car.

Table 12.- Wheat: Average closing prices of July futures, specified markets and dates, 1954-55

Period	Chicago 1954	Chicago 1955	Kansas City 1954	Kansas City 1955	Minneapolis 1954	Minneapolis 1955
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Month						
April	2.10	1.95	2.13	2.03	2.28	2.29
May	1.95	2.00	2.02	2.13	2.21	2.32
June	1.93	1.99	2.00	2.12	2.21	2.34
Week ended						
Apr. 22	2.10	1.96	2.15	2.04	2.29	2.29
29	2.03	1.96	2.06	2.05	2.25	2.27
May 6	1.96	1.99	2.00	2.10	2.22	2.31
13	1.93	2.02	2.00	2.14	2.21	2.33
20	1.96	1.99	2.04	2.12	2.20	2.34
27	1.95	2.02	2.04	2.14	2.21	2.33
June 3	1.92	1.99	2.01	2.11	2.18	2.32
10	1.95	1.98	2.01	2.11	2.20	2.34
17	1.91	2.00	1.98	2.13	2.18	2.35
24	1.92	1.98	1.99	2.12	2.22	2.34
July 1	1.94	1.98	2.03	2.14	2.28	2.36

Table 13.- Wheat: Prices per bushel in three exporting countries, Friday mid-month January-June 1955, weekly April-July 1955

Date (Friday)	Hard spring wheat: United States, No. 1 Dark Northern Spring 13 percent protein at Duluth 1/	Hard spring wheat: Canada, No. 2 Manitoba at Fort William 2/ 3/	Hard winter wheat, United States, No. 1 at Galveston 4/	Soft wheat: United States, No. 1 Soft White at Portland 1/	Soft wheat: Australia 3/
	Dollars	Dollars	Dollars	Dollars	Dollars
Friday mid-month					
January 14	2.63	1.74	2.58	2.36	---
February 18	2.66	1.75	2.60	2.38	5/1.65
March 18	2.61	1.75	2.54	2.40	---
April 15	2.60	1.75	2.52	2.39	---
May 13	2.69	1.76	2.62	2.40	6/1.62
June 17	2.64	1.76	2.36	2.47	---
Weekly					
April 22	2.68	1.75	2.55	2.38	---
29	2.60	1.75	2.54	2.38	---
May 6	2.68	1.75	2.62	2.39	---
20	2.72	1.75	2.61	2.41	---
27	2.68	1.76	2.52	2.44	---
June 3	2.63	1.76	2.39	2.46	---
10	2.65	1.76	2.40	2.46	---
24	2.65	1.76	2.35	2.46	---
July 1	2.70	1.76	2.34	2.39	---

1/ Spot or to arrive. 2/ Fort William quotation is in store. 3/ Sales to non-contract countries. Converted to United States currency. 4/ F.o.b. ship. 5/ Average price to various countries in Asia in late February. 6/ Average f.o.b. Australian port price during May.

Table 14.- Wheat: Supplies available for export or carryover in the United States, Canada, Argentina, and Australia, July 1, 1941-55

Item	United States	Canada	Argentina	Australia	Total
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
Total season supplies 1/					
1941-42	1,330	795	367	209	2,701
1942-43	1,601	980	403	260	3,244
1943-44	1,599	879	458	264	3,200
1944-48 (5-year average)	1,399	546	284	175	2,404
1949-50	1,408	474	233	237	2,352
1950-51	1,456	574	228	228	2,486
1951-52	1,408	742	97	179	2,426
1952-53	1,576	905	285	216	2,982
1953-54	1,737	984	301	236	3,258
1954-55	1,875	882	337	262	3,356
Domestic disappearance for 12 months					
1941-42	669	145	117	60	991
1942-43	948	171	121	69	1,309
1943-44	1,237	179	131	95	1,642
1944-48 (5-year average)	823	156	147	82	1,208
1949-50	684	136	118	72	1,010
1950-51	694	144	116	80	1,034
1951-52	677	169	87	79	1,012
1952-53	697	150	142	76	1,065
1953-54	619	146	129	72	966
1954-55	600	160	132	72	964
Exports beginning of season to June 30 2/					
1941-42	30	213	49	29	321
1942-43	34	193	38	22	287
1943-44	45	318	59	47	469
1944-48 (5-year average)	383	246	51	45	725
1949-50	299	208	65	66	638
1950-51	366	209	67	74	716
1951-52	475	313	2	46	836
1952-53	317	341	29	64	751
1953-54	216	234	58	33	541
1954-55	270	234	75	59	638
Balance on July 1 for export or carryover					
1942	631	437	201	120	1,389
1943	619	616	244	169	1,648
1944	317	382	268	122	1,089
1945-49 (5-year average)	193	144	86	48	471
1950	425	130	50	99	704
1951	396	221	45	74	736
1952	256	260	8	54	578
1953	562	414	114	76	1,166
1954	902	604	114	131	1,751
1955	1,005	488	130	131	1,754

1/ Carryover stocks and production, except for United States where imports are included.

2/ Season begins July 1 for United States, August 1 for Canada, and December 1 for Argentina and Australia.

Table 15.- Wheat and wheat flour: World exports, by principal countries, averages 1900-53, annual 1945-54

Year beginning July	United States 1/		Canada 2/		Australia		Argentina		Eastern Europe 3/		Other		Total 2/
	Quantity	Percentage of total	Quantity	Percentage of total	Quantity	Percentage of total	Quantity	Percentage of total	Quantity	Percentage of total	Quantity	Percentage of total	
	Mil. bu.	Pct.	Mil. bu.	Pct.	Mil. bu.	Pct.	Mil. bu.	Pct.	Mil. bu.	Pct.	Mil. bu.	Pct.	Mil. bu.
Average:													
1900-09 4/	155	26.0	38	6.4	26	4.4	84	14.1	231	38.7	62	10.4	596
1910-19 4/	183	27.5	128	19.2	55	8.3	89	13.4	130	19.6	80	12.0	665
1920-29 4/	222	26.4	267	31.8	89	10.5	154	18.4	40	4.8	68	8.1	840
1930-39 4/	75	10.6	201	28.3	114	16.1	130	18.3	89	12.5	101	14.2	710
1945-53	384	42.1	279	30.6	90	9.9	72	7.9	36	3.9	51	5.6	912
1945	391	45.7	361	42.1	36	4.2	68	7.9	---	---	1	0.1	857
1946	397	52.4	232	30.6	47	6.2	60	7.9	6	0.8	16	2.1	758
1947	486	51.8	209	22.2	96	10.2	102	10.9	40	4.3	6	.6	939
1948	504	51.1	222	22.5	122	12.4	61	6.2	53	5.4	24	2.4	986
1949	299	36.2	236	28.6	114	13.8	88	10.7	54	6.6	34	4.1	825
1950	366	39.0	221	23.6	127	13.6	103	11.0	37	3.9	84	8.9	938
1951	475	44.6	347	32.6	99	9.3	30	2.8	54	5.1	61	5.6	1,066
1952	318	32.2	392	39.7	99	10.0	29	3.0	48	4.9	101	10.2	987
1953	217	24.7	288	32.7	71	8.1	110	12.5	45	5.1	148	16.8	879
1954	270	28.7	255	27.1	90	9.5	130	13.8	5/	---	5/197	20.9	942

1/ Excludes the wheat equivalent of exports of flour milled in bond. Includes principal products other than flour.

2/ Includes exports of "wheat unfit for human consumption" from Canada to U.S. as follows: 1950-51, 12 mil. bu.; 1951-52, 30 mil. bu.; 1952-53, 20 mil. bu.; 1953-54 and 1954-55, 4 mil. bu.. Also includes wheat exported to the U.S. a part of which was milled in bond and later exported by the U.S.

3/ Includes U.S.S.R.

4/ Calendar years.

5/ Eastern Europe combined with "other".

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